

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6 1445 ROSS AVENUE, SUITE 1200 DALLAS, TX 75202-2733

JUN - 1 2015

Leslie Savage, Chief Geologist Railroad Commission of Texas P.O. Box 12967 Austin, TX 78711-2967

Dear Ms. Savage:

Thank you for arranging and participating in the meeting in Austin on December 19, 2014 among yourself, Milton Rister, Craig Pearson and Dave Hill of the Railroad Commission of Texas (RRC), and Philip Dellinger and Mike Frazier of my staff. I understand the discussions on a path forward for aquifer exemptions related to oil and gas production were productive. As mentioned in those discussions, EPA representatives were to prepare a letter documenting the agreements that were reached during this meeting, which is the purpose of this document.

Initially, you mentioned that authorization records for injection wells related to oilfields producing from Underground Sources of Drinking Water (USDWs) exist in your database, but would take significant resources to identify. Both yourself and Dave Hill reiterated the point that there are very few (<10) of these oilfields that have been authorized from the time of delegation in 1982. We understand the RRC imposes strict controls on injection wells associated with these fields, including no injection of lesser quality water than that being produced, and requirements that result in a net decrease in fluid volumes in the reservoir, thus creating a negative hydraulic gradient. Because of the administrative burden that identification of the records for these fields would create for the RRC, your representatives proposed finding records for one of these fields to demonstrate the low risk these operations pose to drinking water wells.

In addition, an agreement was made that from this point forward, the RRC will pursue aquifer exemptions for new oil and gas related injection operations in any new applicable field prior to granting injection well permits for these operations. EPA representatives are in agreement with this path forward and requested that the rationale for this approach (resource constraints, description of safeguards in existing permits, etc.) be described in detail in a letter from the RRC. The description should indicate how future applications for injection into USDWs will be identified and differentiated for aquifer exemption. Finally, RRC solicited additional financial support to identify existing fields from the relevant database. To that end, EPA suggests that you prepare and submit a phased project proposal that begins with the aquifer exemptions from the time of delegation. EPA will then evaluate the proposal and seek appropriate funding to assist your work.

I am pleased with the consensus that was reached at the meeting and I am in support of the proposed approach outlined above. I look forward to the continued communication and cooperation between the RRC and EPA Region 6 in order to finalize a strategy for resolving aquifer exemption issues. If you have any questions or wish to discuss this matter further, please contact me at 214-665-7150 or Philip Dellinger at 214-665-8324.

Sincerely,

William K. Honker, P.E.

Director

Water Quality Protection Division